

## The Impact of Employer Brand on Marketing Performance in the Banking Industry

Mansour Panahi and Rasoul Sanavi Fard

Department of Business Management, Qom Branch, Islamic Azad University, Qom, Iran

**Abstract:** Employer branding as a long-term strategy for managing knowledge and perceptions of actual, potential and stakeholders which includes direct and indirect experiences related to the organization. Organizations need along with branding their products, will invest in branding the organization as an employer as well as employees and are its internal customers. In fact, an intangible asset to its employer brand and the company's perceived. The purpose of this study as a method of research is descriptive-survey the population under study five areas of Mellat Bank in Tehran. A sample of multi-stage sampling and ultimately a simple random sampling method is used. Structural equation modeling was used to analyze the research that Lisrel Software was used to do this. The results showed that employer brand, work-life balance, organizational culture, the strength of the brand, rewards and benefits and work environment also has an impact on the Mellat bank's marketing performance.

**Key words:** Employer brand, banking industry, Mellat bank, performance marketing, organizational culture

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### INTRODUCTION

Simultaneous with spread competition at all areas business and work, companies start to have competition and battle at arena new from market, namely market work. Absorption and protection is the force work skilled and with experience conversion to challenge main many from the company. Several researchers to importance capital human to title source advantage competitive hint done and necessity have access to staff worthy and skilled and remind. At result development strategies intelligently to conversion become to employer organization (Employer) selected at market work can make one competitive advantage stable creation. As the performance marketing and employer branding are important for service organizations such as banks, cases in this study, the effect of employer brand is focused on marketing performance. One of the features of market work is information ambiguity (Wilden *et al.*, 2010).

Researchers to this result have reached that applicants work, employer and on foundation credit and features that do along with brand employer at minds associations it is possible selection (Freer, 2012). To phrase other, features and information that is at brand employer summary by perception people the applicant work from employer the impact leaves. If staff potential false information, inadequate and or contradictory at the relationship with consequences recruitment at organization respective have there, risk perception their increase found and at result it organization and from

collection case review own delete them. Best way to decrease risk perception and lack of confidence to staff potential and also current organization, transfer and publication information is the relationship with qualifications and features organization at market work. On this basis Wilden *et al.* (2010) branding employer to title means to confidence from access to the force work expert and worthy and also increase obligation and loyalty current employees' organization memory out. At our country, we with attention to increase competition in the market services and simultaneous with it increase competition companies to absorption the force work talented, The employer brand and its impact on the marketing function for all managers and those involved in bank can be of great importance, especially since the part of the bank's officials and stakeholders should be taken into consideration and the significance of this. And using the key role they can improve marketing performance in the bank. Article one research is practical because at search access to one target is academic and on solution issue you emphasis and contains collection way is that they have target, description conditions or phenomenon of case check of way that also have the power and one research descriptive and survey outlined. The target of that study is the impact brand employer on operation marketing at industry banking.

### Theoretical foundations

**The concept of employer brand:** Employer brand new concept that is very important because organizations

Table 1: Employer brand components (Dawn and Biswas, 2010)

Work-life balance	Culture	The power of brand product/organization	Reward and advantages	Environment work
Working mission	Cooperation between staffs	Fame and reputation of the organization	Rights basis	Manager quality
Places	Arriving early in workplace	Top percent brand choice among similar brands	External equality (salary ratio according to other companies)	Partners quality
Working hours	Employees confidence in the organization to each other	Loyalty to brand	Internal equality	Recognition
Work facilities from distance	Do norms and values by employees	Brand amazingness	Benefits	Empower
		High number of brand fans	Options take stock	Work challenge
			Retirement policy	Transparency of roles
			Benefits of hygiene and health	

have gradually entered a period of prosperity and the scope of competition should be created to study the extent to which they can appeal to attract talented people and they are high-performance and enable organizational growth rings. Because many organizations do not grow is that they are not able to absorb the forces and their professional managers who makes it to the opposite, which rings are restrictive is enabled. So one of the issues that enter into the field of marketing or human resources, marketing and human resource professionals as well as for the value of early have created a brand concept employer. Of course, people expert and talented time that the absorption one organization or one new job concerned with the level of technology, culture, leadership and organizational ethics in its current how and whether they can adapt themselves to it (Kotler and Armstrong, 1994).

Employer brand approach provides for the alignment of values and perspectives and retains talent. The term employer brand, first by Ambler and Barrow (1996) was used. Their employer brand as a collection of functional advantages, economic and psychological funded by recruiting and employer organizations recognized was introduced.

**Employer brand components:** At expression components of conceptual brand employer must have mission and meaningful activity of organization, system of quarterback as recruitment, compensation serving, space work, management performance, culture and leadership organizational hint. Main key at this is that when statement is one company brand quarterback positive has it that's mean this company from opinion conceptual components inside of own has it that possible decision trade and ready to all people company. But that brand employer what implications to one organization has it and what video and at mind people efficient at market work slow creation must said this consequences at four level works and to existence (Table 1):

- First, your level and individual perceptions
- Second, the organization that common perception of an organization creates

- Third, in the field of business and industries, some industries that is appropriate for certain groups in the labor market
- Fourth, the national level, the common perception creates the conditions quarterback in the country

**Corporate culture:** Culture can be a powerful source of identity, common purpose and flexible guidelines impact of organizational culture on organizational members to the extent that we can review it angles toward the behavior, emotion, attitude and possible reaction of members of the organization, he developments towards the assessment, prediction and guidance leverage corporate culture, is simply to facilitate changes and new directions in sustainable organization is a social stigma organizational culture of shared values, symbolic themselves strategies and social ideals, members of organizations joined together. Learned and a lot of research that has been done in the field of organizational culture show understanding of organizational culture as a matter of necessity, the priority activities of the managers of organizations such as the understanding and recognition of the culture and familiarity with the characteristics, management can plan short-term, medium-term and long-term fixed and own to encounter with market full from evolution and competition in the market preparation and likelihood of success and survival rates increase.

**Functions of culture in organizations:** In an organization, functions and roles of different cultures play. To find out how these functions are actually informative summarizes the characteristics of these functions are mentioned:

- The staff gives corporate identity. What a company highlights its ability to attract and keep talented people is education
- Commitment makes it easy group. Basically commitment can be individual or group psychological link to the organization that they feel engaged at work, loyalty and belief in the organization's values

- Encourages the stability of the social system. Culture socially considered as the glue that can be through the provision of appropriate standards in relation to what they say or do must be members of the organization connects components
- Culture by reaching out to members to find out about their work to shape their behavior. The elites to gain full-time job and your job will start from the lowest level and managed by the staff are familiar with the basic principles of the organization
- Organizational culture and performance management affect the obligations and restrictions for management, states that what can be done and what cannot
- Culture is considered as a factor that leads to control or shape the attitudes and behavior of employees so they fit in the organization, competence, attitudes and behavior fit the organization's culture to cause the person can be as a member of the organization to be
- Culture helps your organization adapt to external environmental factors

**Branding or brand building:** Branding to creation and creation is one service or the product different on the. And one operation key at marketing is that semantic more from naming one the product funny. The company essentially at the level of organization and management of relations between the various stakeholders in the development of the public is entitled. Brand names, key role in the dream face a variety of product design, customer relations and marketing communications are doing. Today, most interpretations including branding, VAT and relations between the user and the brand more tangible focus and to add a higher level of emotional meaning a product or service and would increasing its value to customers.

**Brand loyalty:** Since, there is no single definition of brand loyalty, look at any organization and collection of this concept may vary somewhat. However, be careful that loyalty can be forced. Perhaps many of those who are loyal to a particular brand, simply because they do not have another option (Spark, 2013). This loyalty such as "spurious loyalty" calls. Customers in terms of brand loyalty are divided into four levels (Kotler and Armstrong, 1994):

**Fiercely loyal customers (Hardcore loyals):** Always in your purchases and decisions "of a brand" prefer.

**Loyal customer's subscription (Split loyals):** Two or three particular brand loyalty.

**Loyal customers with changing tastes (Shifting loyals):** Brand loyalty among their personal behaviors but may at any point be loyal to a brand.

**Customers treacherous (Switchers):** For every purchase and its decision independently decide. These customers may be based on price, variety-seeking or advice or simply change their decision.

**The strategic importance of employer brand and its implementation:** One of the motivations of the various companies to discuss the implementation of employer brand and their motivation for posing as the top 100 companies in the fortune. It has become important enough for them that some organizations are trying to change the culture and philosophy of the brand and their employer on the list (Katharina, 2013). Another important factor is the introduction of employer branding, talent was intensified competition for their organizations over rivals battle for talent acquisition for himself as a quality place to work and in this way trying to differentiate your organization from others. Brand employer branding, product development and introduction of corporate culture of the company and attract the attention of human resources available in the labor market and is known by them. In continuing to implement the strategic importance of employer brand arises in organizations:

**Assess the employer brand strategy:** Employer Brand Strategy in a static environment does not work and should be dynamically shaped or organized. So companies require that their employer brand on the features they adjust and establish feedback systems and evaluate for it. The system can be divided into two parts: the external dimension system of employer brand to attract potential employees' superior, thorough and done major employer brand of charm. The internal and to maintain good relations staff and increase employees' sense of belonging to the indicators such as job satisfaction, employee loyalty, employee turnover rates and other indicators that reflect the impact of the implementation of employer brand is used.

In Fig. 1, the process of designing, implementing and evaluating strategies employer brand concept was presented in the form of a model that in this process it is important to follow the employer brand strategy of the organization's human resources strategy and follow the

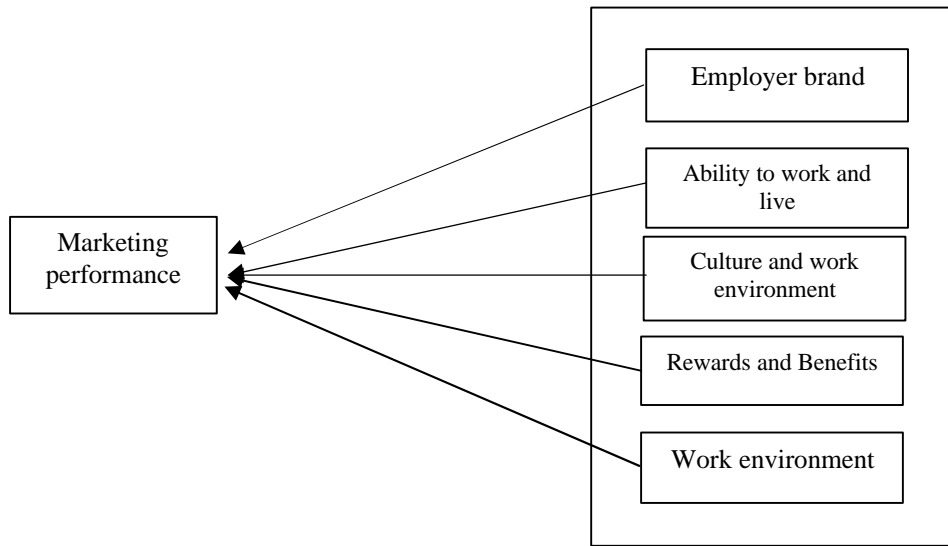


Fig. 1: The conceptual model, from the model (Dawn and Biswas, 2010)

strategy of the organization’s human that is resources strategy. In this way, the factors affecting each part of the model is also shown which factors such as employer branding strategy, organizational strategy, organizational culture, leadership style, organization and human resources management system of the organization involved.

Business client manager in the implementation of brand strategy and human resources departments are responsible for the main role. And finally, evaluating and obtaining feedback from implementation to assess the attractiveness of the organization’s employer brand strategy in the external labor market (external dimension) and control indicators such as job satisfaction, organizational commitment and turnover of existing staff and... is important. Main variables through indicators and criteria that have been set for each will be assessed.

Variables and size of employer brand in an organization can lead to improved working conditions for staff and their confidence in the organization and its objectives. Key attract, the look and create attachment at employees, use the innovative and whole realistic what is that business is to believing and at brand publisher own reflection. Thus, people appropriate with skill of appropriate at jobs appropriate supply and protection. When relations employees on base the trust that lead to create attachment to organization is shape therefore, finally organization on strategy of own action the slow and obligation own to customers’ performance and all are from inside of organization shape. A brand, only when can customers own out from organization engaged is that

before from it commitment that to employees inside of organization data is action have and on basis beliefs the internal. In this case, leaders business to its commitment to employees action they have employees to commitment that customers act them. Therefore, business, part from heart employees and to follow its part from heart customers and capture finally, it causes organization success. Extracts this relationship feeling, same extract business and brand business is to public introduction.

**MATERIALS AND METHODS**

Due to the high volume of multistage cluster sampling and simple random sampling method is used. Therefore, ultimately, in view of the fact that Mellat bank in Tehran has been divided into 5 regions from each of the 5 areas in accordance with table’s the following is a selected number of branches in each branch questionnaires have been distributed randomly among employees.

To the staff of multi-stage cluster sampling was used based regional bank. First, in terms of regional branches in Tehran (1-5) is divided into branches each region is randomly selected. The staff at each branch randomly determined based on share class is considered elected. In order to further the similarity of the community and increase the accuracy of the sampling to estimate the parameters of the community and involving the community in the sample, according to the five areas of Tehran, the total number of employees 297 people, 20

bank branch of Tehran were randomly, finally, the questionnaire was distributed randomly among three branches of the bank.

The following equation was used for sample size. Therefore, to test the model 200 above five areas were selected to be compared. As a result, 210 questionnaires were distributed 206 questionnaires were collected, to ensure that the results of 210 questionnaires were delivered healthy.

The data in this study is used by library and field. Of library studies as a foundation to develop a theoretical framework research and field method is also used to receive information from you via surveys. The data collection tool in this study is a questionnaire.

Statistical techniques used in this research are descriptive and inferential statistics. In the field of statistical techniques such as descriptive statistics descriptive tables and graphs have been used demographic. Statistical techniques used in this research are descriptive and inferential statistics. In the field of statistical techniques such as descriptive statistics of frequency distribution table and bar; the median, mode, median, standard deviation and variance will be. From facts inferential statistics (statistics with several variables) is to test hypothesis and use it. In fact, study and test hypotheses, structural equation modeling using Lisrel software will be done.

**RESULTS AND DISCUSSION**

**Data analysis:** Given that the level of significance for all study variables is  $>0.05$ , at 95%, assuming normal distribution of a given society is rejected. And because the variables are normal society, the parametric tests, we used to test these variables (Fig. 2 and 3, Table 2).

**Using structural equation model:** The model was estimated using Lisrel Software is as follows: to check if a particular model compared with other models may, in terms of how good explanation data set of observed acts of Fitness Index (NFI), Fitness Index (NNFI), Increasing Fitness Index (IFI) and Comparative Fit Index (CFI) is used. The values of this index suggest suitable fitting design model compared with other models is possible. Finally, to see how fit and savings model that combines powerful square root of the variance estimation error of approximation RMSEA index is used. Stock RMSEA, the root mean square is approximate. In this study, the research model (0.035), respectively. As the fitness parameters in the model and Table 3 shows the theoretical foundation of this study was to investigate the factor structure and good fit this results in line with the structures of theoretical questions.

**Research hypotheses:** Another type of relationship between latent variables in structural equation modeling is a direct effect. In fact, one of the constituents of the direct effect of structural equation models and the relationship between the two variables show directivity. This type of work is in fact linear causal effect of one variable on other variables. In the model assumes any direct effect relationship between a dependent variable and independent variables, specific and up (Table 4).

Although, a direct effect of the dependent variable can be independent variable and vice versa. The results of this method are as follows: the determination coefficients ( $R^2$ ) show that the agents investigated how the overall marketing performance impact has. The coefficient of 0.79 was reported for this model.

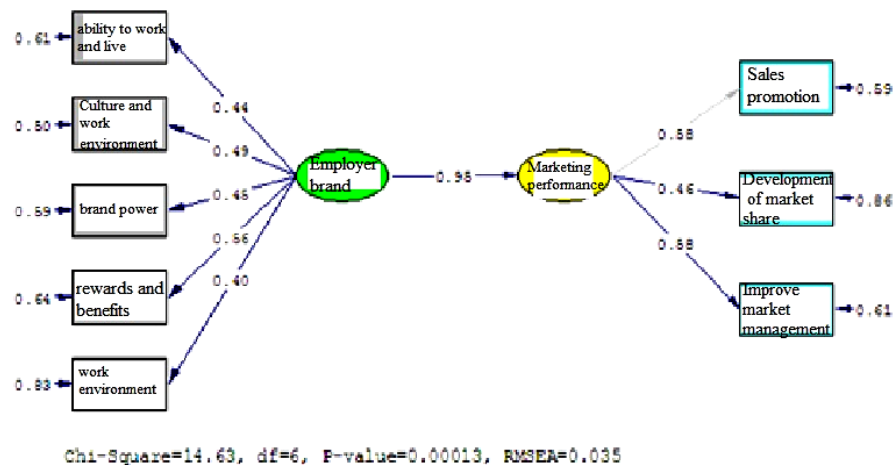


Fig. 2: Research on the standard model coefficients

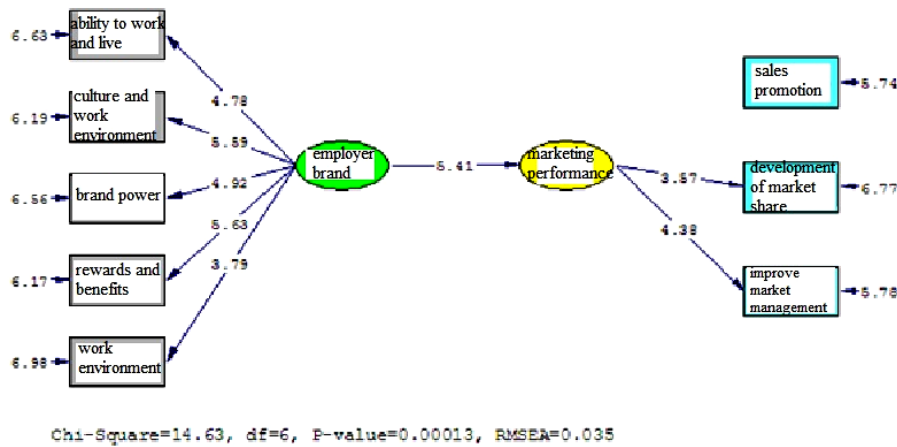


Fig. 3: In the case of significant structural equation model (t-value)

Table 2: Normality of research data

Variables	Kolmogorov-Smirnov statistic	The significance level
Marketing performance	0.590	0.878
Employer brand	0.619	0.838
Ability to work and live	0.729	0.662
Product brand power/organization	0.687	0.733
Culture and work environment	0.660	0.769
Rewards and benefits	0.552	0.830
Work environment	0.529	0.842

Table 3: Interpretation of structural equation model

Index	Estimates of the original model	Limitation
(Chi-square, the degrees of freedom)	2.438	<3
GFI (Goodness of Fit)	0.920	>9.0
RMSEA (Root Mean Square Error of Estimation)	0.035	<0/09
CFI (Induced Fit)	0.980	>9.0
NFI (Fitness Softened)	0.930	>9.0
NNFI (Not Soft Fitness)	0.970	>9.0
IFI (Increasing Fitness)	0.980	>9.0

Table 4: Path, t statistic and results of the hypothesis

The main assumptions	Path coefficient (β)	Statistics t	The coefficient		Result of the researcher's hypothesis
			of determination	Significance level	
Employer brand marketing in the banking industry influence on performance	0.95	5.090	0.79	0:05>	Confirmed
The operating balance work-life impact on the performance of marketing in the banking industry	0.42	5.500		0:05>	Confirmed
Culture and environment of organization's marketing performance influence in the banking industry	0.46	5.160		0:05>	Confirmed
Power factor brand product/organization's marketing performance influence in the banking industry	0.42	5.165		0:05>	Confirmed
Agent reward and advantages has effect in the marketing function in the banking industry	0.52	5.520		0:05>	Confirmed
Operating environment work on marketing performance influence in the banking industry	0.38	4.60		0:05>	Confirmed

### CONCLUSION

According to the results of the analysis confirmed the hypothesis employer brand marketing performance and because the organizational culture is a critical component of employer brand and presence at the

workplace and comply with norms and values of an organization of factors organizational culture. It is proposed that the CEOs of bank of reward and punishment measures for the timely supply of bank employees in the workplace as well as compliance with the Bank's values and norms of the code of conduct for the

banks to take action. Given that employer brand may be political and economic developments and social and technological changes and the evolution of the bank's senior managers should assess and forecast the necessary measures in order to have these developments. And this, according to the research create positive employer brand in the minds of talented and creative and talented job applicants and thus absorption of these valuable human resources ultimately enhance the performance of the bank marketing.

The results also show that the influence of the marketing function is confirmed work-life balance. Research also showed that a significant relationship between employer brand internal (bank employees) and external employer brand (potential employees) because there are actual employees can give a positive image of the bank job seekers that this issue is effective in improving the performance of snippets.

Due to the impact of organizational culture on marketing performance, it is necessary to create mechanisms to foster cooperation among bank staff and bank managers created by the partnership as a key success factor in each team work but important to note that on a mandatory basis managers should not be as injection it will not return. Organizational culture is one of the important components in employer brand and its effect on employees' values and norms marketing are no secret that the bank had therefore drawn more and more to follow as this, according to research makes a positive image in the minds of society. For example, in addition to strengthening the employer brand in domestic banks and foreign bank is effective employer brand and employer brand's popularity eventually prove effective in the performance marketing.

As a result, analysts have come to the real value of an organization outside it such as potential buyers is that the potential buyers are subject to the same employer work in the human resources market and ultimately to attract creative people and interesting talented leads and marketing leads to performance improvement in marketing performance confirms the role of brand strength.

Operating rewards and benefits is another factor that should senior managers pay in bonuses and pension and health staff are more than ever before.

With the confirmation of the effects of the working environment on marketing performance bank must empower employees to training classes in addition to theory, practical specialized training in various fields such as banking and credit and currency and... The staff will offer new services and mere training classes in theory it is not enough. In addition, senior executives must be employed in branches of the bank on a rotating basis in

different parts of the use of their branch, it is that knowledge and knowledge workers. This research led to the empowerment of staff and is looking to increase the awareness of employees and the impact on the bank's marketing performance.

## **RECOMMENDATIONS**

Creating space and fit and healthy environments also reduce costs and achieve economic progress and greater competition and sales of services and effective service to clients and attract customers' noticeable effects. What actual employees as internal employer brand are important to create happiness and therefore, banks must do their satisfaction of the three aspects of the environment promote:

- Physically such as having a healthy workplace and beautiful and has basic facilities and tools
- In terms of rights and adequate and appropriate incentives and rewards such as salary accurate and fair pay system and ...
- In terms of management style and create a healthy relationship between partners such as the banks and create job satisfaction for employees arriving actions by managers that make sense ... as a result of this research according to the promotion of inside and outside the organization and popularity of the employers have performance marketing makes a positive impact

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